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#### DEPARTMENT OF COMMERCE

**International Trade Administration** 

[A-570-912 and C-570-913]

Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Results of Sunset Reviews and Revocation of Antidumping Duty and Countervailing Duty Orders

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) is revoking the antidumping duty and countervailing duty orders on certain new pneumatic off-the-road tires (OTR Tires) from the People's Republic of China (China).

**DATES:** Applicable February 4, 2019.

FOR FURTHER INFORMATION CONTACT: Thomas Dunne or Jacqueline Arrowsmith AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2328 or (202) 482-5255, respectively.

### SUPPLEMENTARY INFORMATION:

### Background

On September 4, 2008, Commerce issued antidumping duty and countervailing duty orders on OTR Tires from China. In the first sunset review of each order, Commerce and the

<sup>&</sup>lt;sup>1</sup> See Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Notice of Amended Final Affirmative Determination of Sales at Less Than Fair Value and Antidumping Duty Order, 73 FR 51624 (September 4, 2008); see also Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Countervailing Duty Order, 73 FR 51627 (September 4, 2008).

International Trade Commission (ITC) determined that continuation of each order was warranted.<sup>2</sup>

On February 5, 2019, Commerce initiated the current sunset reviews pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.218.<sup>3</sup> We did not receive a notice of intent to participate from the domestic interested parties in either sunset review. As a result, in accordance with 19 CFR 351.218(d)(1)(iii)(A), Commerce has determined that no domestic interested party intends to participate in these sunset reviews. On February 21, 2019, in accordance with 19 CFR 351.218(d)(1)(iii)(B)(2), Commerce notified the ITC in writing that we intended to revoke the antidumping duty and countervailing duty orders on OTR Tires China.<sup>4</sup>

## Scope of the Orders

The products covered by the orders are certain new pneumatic tires designed for off-the-road (OTR) and off highway use, subject to exceptions identified below. Certain OTR tires are generally designed, manufactured and offered for sale for use on off-road or off-highway surfaces, including but not limited to, agricultural fields, forests, construction sites, factory and warehouse interiors, airport tarmacs, ports and harbors, mines, quarries, gravel yards, and steel mills. The vehicles and equipment for which certain OTR tires are designed for use include, but are not limited to: (1) agricultural and forestry vehicles and equipment, including agricultural tractors, 5 combine harvesters, 6 agricultural high clearance sprayers, 7 industrial tractors, 8 log-

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<sup>&</sup>lt;sup>2</sup> See Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Continuation of Antidumping and Countervailing Duty Orders 79 FR 6539 (February 4, 2014) (Continuation Notice).

<sup>&</sup>lt;sup>3</sup> See Initiation of Five-Year (Sunset) Reviews 84 FR 1705 (February 5, 2019)

<sup>&</sup>lt;sup>4</sup> See Department Letter re: Sunset Review Initiated on February 5, 2019 Applicable to January 2019 (February 21, 2019)

<sup>&</sup>lt;sup>5</sup> Agricultural tractors are dual-axle vehicles that typically are designed to pull farming equipment in the field and that may have front tires of a different size than the rear tires.

<sup>&</sup>lt;sup>6</sup> Combine harvesters are used to harvest crops such as corn or wheat.

<sup>&</sup>lt;sup>7</sup> Agricultural sprayers are used to irrigate agricultural fields.

skidders,<sup>9</sup> agricultural implements, highway towed implements, agricultural logging, and agricultural, industrial, skid-steers/ mini-loaders;<sup>10</sup> (2) construction vehicles and equipment, including earthmover articulated dump products, rigid frame haul trucks,<sup>11</sup> front end loaders,<sup>12</sup> dozers,<sup>13</sup> lift trucks, straddle carriers,<sup>14</sup> graders,<sup>15</sup> mobile cranes,<sup>16</sup> compactors; and (3) industrial vehicles and equipment, including smooth floor, industrial, mining, counterbalanced lift trucks, industrial and mining vehicles other than smooth floor, skid-steers/ mini-loaders, and smooth floor off-the road counterbalanced lift trucks.<sup>17</sup> The foregoing list of vehicles and equipment generally have in common that they are used for hauling, towing, lifting, and/or loading a wide variety of equipment and materials in agricultural, construction and industrial settings. Such vehicles and equipment, and the descriptions contained in the footnotes are illustrative of the types of vehicles and equipment that use certain OTR tires but are not necessarily all-inclusive. While the physical characteristics of certain OTR tires will vary depending on the specific applications and conditions for which the tires are designed (e.g., tread pattern and depth), all the

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<sup>&</sup>lt;sup>8</sup> Industrial tractors are dual-axle vehicles that typically are designed to pull industrial equipment and that may have front tires of a different size than the rear tires.

<sup>&</sup>lt;sup>9</sup> A log-skidder has a grappling lift arm that is used to grasp, lift and move trees that have been cut down to a truck or trailer for transport to a mill or other destination.

<sup>&</sup>lt;sup>10</sup> Skid-steer loaders are four-wheel drive vehicles with the left-side drive wheels independent of the right-side drive wheels and lift arms that lie alongside the driver with the major pivot points behind the driver's shoulders. Skid-steer loaders are used in agricultural, construction and industrial settings.

<sup>&</sup>lt;sup>11</sup> Haul trucks, which may be either rigid frame or articulated (*i.e.*, able to bend in the middle) are typically used in mines, quarries and construction sites to haul soil, aggregate, mined ore, or debris.

<sup>&</sup>lt;sup>12</sup> Front loaders have lift arms in front of the vehicle. They can scrape material from one location to another, carry material in their buckets, or load material into a truck or trailer.

<sup>&</sup>lt;sup>13</sup> A dozer is a large four-wheeled vehicle with a dozer blade that is used to push large quantities of soil, sand, rubble, etc., typically around construction sites. They can also be used to perform "rough grading" in road construction.

construction.

14 A straddle carrier is a rigid frame, engine powered machine that is used to load and offload containers from container vessels and load them onto (or off of) tractor trailers.

<sup>&</sup>lt;sup>15</sup> A grader is a vehicle with a large blade used to create a flat surface. Graders are typically used to perform "finish grading." Graders are commonly used in maintenance of unpaved roads and road construction to prepare the base course onto which asphalt or other paving material will be laid.

<sup>&</sup>lt;sup>16</sup> *I.e.*, "on-site" mobile cranes designed for off highway use.

<sup>&</sup>lt;sup>17</sup> A counterbalanced lift truck is a rigid framed, engine-powered machine with lift arms that has additional weight incorporated into the back of the machine to offset or counterbalance the weight of loads that it lifts so as to prevent the vehicle from overturning. An example of a counterbalanced lift truck is a counterbalanced fork lift truck. Counterbalanced lift trucks may be designed for use on smooth floor surfaces, such as a factory or warehouse, or other surfaces, such as construction sites, mines, etc.

tires within the scope have in common that they are designed for off-road and off-highway use. Except as discussed below, OTR tires included in the scope of the proceedings range in size (rim diameter) generally but not exclusively from 8 inches to 54 inches. The tires may be either tubetype 17 or tubeless, radial or non-radial, and intended for sale either to original equipment manufacturers or the replacement market. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00. While HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope is dispositive. Specifically excluded from the scope are new pneumatic tires designed, manufactured and offered for sale primarily for on-highway or on-road use, including passenger cars, race cars, station wagons, sport utility vehicles, minivans, mobile homes, motorcycles, bicycles, on-road or on-highway trailers, light trucks, and trucks and buses. Such tires generally have in common that the symbol "DOT" must appear on the sidewall, certifying that the tire conforms to applicable motor vehicle safety standards. Such excluded tires may also have the following designations that are used by the Tire and Rim Association:

# Prefix letter designations:

- P—Identifies a tire intended primarily for service on passenger cars;
- LT—Identifies a tire intended primarily for service on light trucks; and,
- ST—Identifies a special tire for trailers in highway service. Suffix letter designations:
- TR—Identifies a tire for service on trucks, buses, and other vehicles with rims having specified rim diameter of nominal plus 0.156" or plus 0.250"
- MH—Identifies tires for Mobile Homes;

- HC—Identifies a heavy duty tire designated for use on "HC" 15" tapered rims used on trucks, buses, and other vehicles. This suffix is intended to differentiate among tires for light trucks, and other vehicles or other services, which use a similar designation.
- Example: 8R17.5 LT, 8R17.5 HC;
- LT—Identifies light truck tires for service on trucks, buses, trailers, and multipurpose passenger vehicles used in nominal highway service; and
- MC—Identifies tires and rims for motorcycles.

The following types of tires are also excluded from the scope: Pneumatic tires that are not new, including recycled or retreaded tires and used tires; non-pneumatic tires, including solid rubber tires; tires of a kind designed for use on aircraft, all-terrain vehicles, and vehicles for turf, lawn and garden, golf and trailer applications. Also excluded from the scope are radial and bias tires of a kind designed for use in mining and construction vehicles and equipment that have a rim diameter equal to or exceeding 39 inches. Such tires may be distinguished from other tires of similar size by the number of plies that the construction and mining tires contain (minimum of 16) and the weight of such tires (minimum 1500 pounds).

### Revocation

Pursuant to section 751(c)(3)(A) of the Act and 19 CFR 351.218(d)(1)(iii)(B)(3), if no domestic interested parties respond to a notice of initiation, Commerce shall, within 90 days after the initiation of the review, revoke the order. Because no domestic interested party filed a notice of intent to participate in these sunset reviews, we are revoking the antidumping duty and countervailing duty orders on OTR Tires from China.

### Effective Date of Revocation

Pursuant to sections 751(c)(3)(A) and 751(c)(6)(A)(iii) of the Act, and 19 CFR

351.222(i)(2)(i), Commerce will instruct U.S. Customs and Border Protection to terminate the

suspension of liquidation of the merchandise subject to these orders entered, or withdrawn from

warehouse, on or after February 4, 2019, the fifth anniversary of the date of publication of the

last continuation notice.<sup>18</sup> Entries of subject merchandise prior to the effective date of revocation

will continue to be subject to suspension of liquidation and antidumping duty and countervailing

duty deposit requirements. Commerce will complete any pending reviews of these orders and

will conduct administrative reviews of subject merchandise entered prior to the effective date of

revocation in response to appropriately filed requests for review.

These five-year (sunset) reviews, the revocation of the AD and CVD orders, and this

notice are issued and published in accordance with sections 751(c)(3)(A) and 777(i)(1) of the Act

and 19 CFR 351.218(d)(1)(iii)(B)(3).

Dated: May 6, 2019.

Jeffrey I. Kessler,

Assistant Secretary,

for Enforcement and Compliance.

<sup>18</sup> See Continuation Notice.

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